



# FARM CREDIT

## OF CENTRAL FLORIDA

*Rural America's Customer-Owned Partner*

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October 23, 2014

Mr. Barry F. Mardock, Deputy Director  
Office of Regulatory Policy  
Farm Credit Administration  
1501 Farm Credit Drive  
McLean, Virginia 22102-5090

**RE: Proposed Rule: Investment Eligibility  
RIN 3052-AC84 (Proposed Regulation)**

Dear Mr. Mardock:

Farm Credit of Central Florida, ACA (the "Association") appreciates the opportunity to submit comments to the Farm Credit Administration (FCA) in response to the notice published in the *Federal Register* on July 25, 2014, requesting comments on FCA proposed rule on investment authorities for the banks and associations of the Farm Credit System (System).

FCA proposes to revise its regulatory approach to association investments in order to limit the type and amount of investments that associations may hold. Each investment must be an obligation issued, or fully guaranteed or insured as to the timely payment of principal and interest, by the United States or its agencies and the total amount of investments must not exceed 10 percent of the association's total outstanding loans. In computing the 10% limit for association investments, the 30-day average daily balance of investments is divided by loans. Investments are calculated as defined in 615.5131. For the purpose of this calculation, loans include accrued interest and do not include any allowance for loan loss adjustments. Compliance with the calculation is measured on the last day of every month.

We request that FCA consider changing the proposed limit of 10 percent of the association's total outstanding loans to 15 percent of total outstanding loans. The rationale for this request is that the 15 percent limit would be a more appropriate level for the association to manage risk by providing a more diverse income stream.

We respectfully ask that the FCA consider and address the comments of the Association and other System institutions to revise the Proposed Regulation and before issuance of a final rule.

Again, thank you for the opportunity to comment.

Respectfully submitted,

**Farm Credit of Central Florida, ACA**

Reginald T. Holt,  
President and CEO